

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Central Illinois Light Company

)

Docket No. ER02-708-000

**COMMENTS OF THE
ILLINOIS COMMERCE COMMISSION**

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602, the Illinois Commerce Commission ("ICC") hereby submits its comments in the above-captioned proceeding in response to a filing submitted by Central Illinois Light Company ("CILCO") on July 24, 2002.¹

CILCO's July 24th filing includes: (1) an Offer of Settlement; (2) an Explanatory Statement of the Offer of Settlement; and (3) proposed amendments to its Ancillary Services Tariff ("AST") submitted pursuant to Section 205 of the Federal Power Act.² CILCO's proposed amendments to the AST include a modified Schedule 4A (Retail Energy Imbalance Service) and a modified Schedule 8A (Power Factor Correction Service).³

CILCO's Offer of Settlement states that the modified Schedule 8A is tied to a complementary filing to be made by the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO") concerning power factor correction service (Midwest ISO Schedule 15).⁴

¹ *Central Illinois Light Company*, Docket No. ER02-708-000, Offer of Settlement, Explanatory Statement and Draft Letter Order, filed July 24, 2002.

² Federal Power Act, 16 U.S.C. § 824d.

³ Transmittal Letter, at 2.

⁴ Offer of Settlement, Section 2.3

The Offer of Settlement further states that, in conjunction with CILCO's modified Schedule 8A, the Midwest ISO has agreed to both revise its *pro forma* service agreement and amend existing service agreements where necessary to reflect a power factor range agreeable to both the Midwest ISO and CILCO for the CILCO control area.⁵

CILCO requests that the Commission make its modified Schedule 8A effective on "August 1, 2002 or the effective date that the Commission grants to the Midwest ISO's new Schedule 15."⁶ However, given the interdependent nature of the two filings, the ICC recommends that the Commission establish the same effective date for both CILCO's modified Schedule 8A and the Midwest ISO's new Schedule 15.

Based on this understanding concerning the effective date of CILCO's proposed Schedule 8A, the ICC does not oppose the Offer of Settlement submitted by CILCO on July 24, 2002.

Respectfully submitted,

/s/ Christine F. Ericson

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Dated: August 6, 2002

⁵ Offer of Settlement, Section 2.4

⁶ Transmittal Letter, at 2.

CERTIFICATE OF SERVICE

I hereby certify that I caused copies of the foregoing document of the Illinois Commerce Commission to be served this day upon each person designated on the official service list compiled by the Secretary in this proceeding, a copy of which is attached, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Chicago, Illinois, this 6th day of August, 2002.

/s/ Christine F. Ericson

Christine F. Ericson
Deputy Solicitor General
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Illinois Commerce Commission

**SERVICE LIST FOR ER02-708
CENTRAL ILLINOIS LIGHT COMPANY
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